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**COUNTY OF SAN LUIS OBISPO
DEPARTMENT OF PLANNING AND BUILDING
STAFF REPORT**

PLANNING COMMISSION

MEETING DATE February 10, 2005	CONTACT/PHONE Ryan Hostetter (805) 788-2351	APPLICANT Cambria Community Services District	FILE NO. DRC2004-00093
SUBJECT Request by Cambria Community Services District for a Development Plan/Coastal Development Permit for the removal of two existing 103,000 gallon water tanks, the construction of two new 550,000 gallon water tanks, and the relocation of an existing electrical control panel with overhead electric service. The new water tanks are proposed to be located on the existing tank site, and an approximate 6,000 square foot easement area from the property to the north (APN 013,111,005). This project will include the removal of 26 pine and 24 oak trees. This project is located at the terminus of Manor Way (988 Manor Way) in the Pine Knolls residential neighborhood in the community of Cambria, in the North Coast planning area (APN 013,301,018 and a portion of APN 013,111,005).			
RECOMMENDED ACTION Approve Development Plan/Coastal Development Permit DRC2004-00093 based on the findings listed in Exhibit A and conditions in Exhibit B.			
ENVIRONMENTAL DETERMINATION Consider and rely upon the previously adopted Mitigated Negative Declaration prepared and adopted by the Cambria Community Services District as lead agency on July 22, 2004 as amended to reflect current changes in the project description.			
LAND USE CATEGORY Residential Single Family & Rural Lands	COMBINING DESIGNATION Archaeologically Sensitive Area, Local Coastal Program Area, Terrestrial Habitat, and Sensitive Resource Area	ASSESSOR PARCEL NUMBER 013,301,018 & portion of 013,111,005	SUPERVISOR DISTRICT(S) 2
PLANNING AREA STANDARDS: None Applicable			
LAND USE ORDINANCE STANDARDS: Setbacks, Height, Sensitive Resource Area, Public Utility Facilities, Environmentally Sensitive Habitats, Terrestrial Habitat <i>Does the project conform to the Land Use Ordinance Standards: See Discussion</i>			
EXISTING USES: The existing Residential Single Family site contains two existing water tanks, and the 10,000 square foot Rural Lands easement to the north and east is within undeveloped Environmentally Sensitive Habitat Area and was, until recently, part of a conservation easement.			
SURROUNDING LAND USE CATEGORIES AND USES: <i>North:</i> Rural Lands/undeveloped <i>South:</i> Residential Single Family/residential <i>East:</i> Residential Single Family/residential <i>West:</i> Residential Single Family/residential			
ADDITIONAL INFORMATION MAY BE OBTAINED BY CONTACTING THE DEPARTMENT OF PLANNING & BUILDING AT: COUNTY GOVERNMENT CENTER ♦ SAN LUIS OBISPO ♦ CALIFORNIA 93408 ♦ (805) 781-5600 ♦ FAX: (805) 781-1242			

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OTHER AGENCY / ADVISORY GROUP INVOLVEMENT: The project was referred to: Public Works, Environmental Health, Cambria Community Services District (for fire and water), North Coast Advisory Council, and EcoSlo	
TOPOGRAPHY: Site is nearly level	VEGETATION: Monterey Pines & Coast Live Oaks
PROPOSED SERVICES: Water supply: San Simeon Creek Wellfield Sewage Disposal: N/A Fire Protection: CCSD	ACCEPTANCE DATE: December 2, 2004

BACKGROUND

Your commission first heard this item on January 13th 2005. After much discussion, the item was continued to allow the applicant time to prepare additional information regarding the proposed changes to the conservation easement, the status of the applicant's CEQA document, and a response to the Coastal Commission's letter of January 12, 2005.

As of the date of this report, none of these additional information items were available. However, the applicant informed staff that these items would be ready by the hearing. Also, staff has included a preliminary set of findings and conditions of approval (see attached Exhibit "A" and Exhibit "B") for your review.

PROJECT ANALYSIS

Feasibility Study Requirement:

In the staff report from January 13, 2005, staff used the lack of a feasibility study as one of the grounds for disapproval (see #8 on Page 4-6). The feasibility study is required by Coastal Zone Land Use Ordinance (CZLUO) Section 23.08.288d (Public Utility Facilities; Limitation on use, sensitive environmental areas) which states:

Uses shall not be allowed in sensitive areas such as on prime agricultural soils, Sensitive Resource Areas, Environmentally Sensitive Habitats, or Hazard Areas, unless a finding is made by the applicable approval body that there is not other feasible location on or off-site the property. Applications for Public Utility Facilities in the above sensitive areas shall include a feasibility study, prepared by a qualified professional approved by the Environmental Coordinator. The feasibility study shall include a constraints analysis, and analyze alternative locations.

A "feasibility study" should contain, but not be limited to: the identification of known on and off-site constraints of the proposed project, a description of alternatives to the proposed project, and reasons why other, less damaging alternatives are not feasible. After review of the California Coastal Commission (CCC) letter of January 12, 2005, it appears that most, if not all, of the required elements of a feasibility study would be met if the applicant submits a complete response to the CCC letter. Specifically, if the applicant submits information regarding: 1) why 1.1 million gallons is necessary at the Pine Knolls site; 2) the on-site constraints that control the size of new tanks; and 3) why increasing water storage in other areas of Cambria (thereby reducing the amount necessary at the Pine Knolls site) is not a feasible alternative, then staff's position is that they have met the primary intent of the feasibility study and a separate feasibility study should not be necessary.

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Ordinance Compliance:

Setbacks: The North Coast Area Plan states the setback requirements for Tract 112 of Pine Knolls are per the Coastal Zone Land Use Ordinance. Required setbacks are as follows: Front 25' and Side 5'. The rear setback is on the expansion of the property that is located within Rural Lands and will require a 10' setback. *The project complies with these standards.*

Height: The maximum height for residential uses within the North Coast Area Plan is 28' however the proposed project is not a residential use and is subject to the Coastal Zone Land Use requirements for height. The maximum height for the water tanks shall be 35' which is measured from average natural grade. *The project complies with this standard at 32'.*

Public Utility Facilities Development Standards:

1. Environmental Quality Assurance: An environmental quality assurance program covering all aspects of construction and operation shall be submitted prior to construction of any project component. This program will include a schedule and plan for monitoring and demonstrating compliance with all conditions required by the Development Plan.
2. Clearing and revegetation: The land area exposed and the vegetation removed during construction shall be the minimum necessary to install and operate the facility. Topsoil will be stripped and stored separately. Disturbed areas no longer required for operation will be regarded, covered with topsoil and replanted during the next appropriate season.
3. Fencing and screening: Public Utility Facilities shall be screened on all sides. An effective visual barrier will be established through the use of a solid wall, fencing and/or landscaping. The project proposes to use fencing and landscaping around the project site to help screen the new tanks from neighboring residences.
4. Limitation on use, sensitive environmental areas: Uses shall not be allowed in sensitive areas such as on prime agricultural soils, Sensitive Resource Areas, Environmentally Sensitive Habitats, or Hazard Areas, unless a finding is made which supports the use.

Sensitive Resource Area: Projects located within a SRA Combining Designation can only be approved if special findings can be made. The findings are as follows:

1. Required Findings pursuant to 23.07.164 e: Any land use permit application within a SRA shall be approved only where the review authority can make the following required findings:
 - a. The development will not create significant adverse effects on the natural features of the site or vicinity that were the basis for the SRA designation, and will preserve and protect such features through the site design. The project has been redesigned to limit impacts to the Pine Forest as much as possible. This redesigned project (alternative 4) will save approximately 3,000 square feet more habitat than the previous design.
 - b. Natural features and topography have been considered in the design and siting of all proposed physical improvements.
 - c. Any proposed clearing of topsoil, trees, or other features is the minimum necessary to achieve safe and convenient access and siting of proposed structures, and will not create significant adverse effects on the identified sensitive resource.

Environmentally Sensitive Habitat Area: Like the SRA Combining Designation, Environmentally Sensitive Habitats also contain Required Findings (pursuant to 23.07.170 b). Approval of a land

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use permit for a project within *or adjacent* to an Environmentally Sensitive Habitat shall not occur unless the applicable review body first finds that: *

1. There will be no significant negative impact on the identified sensitive habitat and the proposed use will be consistent with the biological continuance of the habitat. The proposed project is design to remove the least amount of habitat feasible and will include a tree replacement mitigation plan which will reduce impacts to a less than significant level.
2. The proposed use will not significantly disrupt the habitat. The project will remove approximately 26 Monterey pine trees and 24 Oak trees, however will be replaced at a 2:1 ratio for the pine trees and 4:1 for the oak trees removed which will reduce biological impacts to a less than significant level.

Terrestrial Habitat: The project site also contains Terrestrial Habitat which is a Combining Designation in place to protect rare and endangered species of terrestrial plants and animals by preserving their habitats. Emphasis for protection is on the entire ecological community rather than only the identified plant or animal. Development within a Terrestrial Habitat shall be sited to minimize disruption of the habitat. The project has been designed to minimize disruption of the habitat, and will replace habitat off site to mitigate for any habitat disruption on the project site.

COMMUNITY ADVISORY GROUP COMMENTS: North Coast Advisory Council: No comments received as of 1/24/2005

AGENCY REVIEW:

Public Works- Recommend approval, no concerns. Need Temporary erosion and sedimentation control measures.

Environmental Health – No comments received as of 12/14/2004.

Cambria Community Services District (for water and fire)-No Comments received as of 12/14/2004.

EcoSlo- No comments received as of 12/14/04

California Coastal Commission – See letter dated January 12, 2005 in file (also in Planning Commission packets for the January 13, 2005 meeting).

LEGAL LOT STATUS:

The Cambria Community Services District lot was legally created by deed at a time when that was a legal method of creating lots. The expansion area is proposed to be located on an easement on an adjoining lot that the Cambria Community Services District is acquiring by eminent domain.

Staff report prepared by Ryan Hostetter and reviewed by Matt Janssen.

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FINDINGS - EXHIBIT A
DRC2004-00093

Environmental Determination

- A. A previously completed Mitigated Negative Declaration, dated June 8, 2004, and adopted July 22, 2004 (and amended on January 27, 2005) completed by Cambria Community Services District acting as the lead agency, finds that there is no substantial evidence that the project may have a significant effect on the environment. Mitigation measures are proposed to address aesthetics, biology, cultural, air quality, geology and soils, and are included as conditions of approval. The County, acting as a responsible agency, is using the Mitigated Negative Declaration and will make it's own findings pursuant to CEQA Guidelines Section 15096.

Development Plan

- B. The proposed project or use is consistent with the San Luis Obispo County General Plan because the use is an allowed use and as conditioned is consistent with all of the General Plan policies. The following are specific findings in the general plan for which the project shall be in compliance with:

Coastal Plan Policies

1. Coastal Plan Policy 1 - Land Uses Within or Adjacent to Environmentally Sensitive Habitats: Development adjacent to locations of environmentally sensitive habitats shall not significantly disrupt the resource. This project site is located within an Environmentally Sensitive Habitat Area (ESHA). The existing tank site does not contain sensitive undisturbed habitat area, but the 6,000 square foot easement area does contain sensitive undisturbed habitat. The project as proposed has been sited to impact the least amount of undisturbed habitat area feasible (approximately 6,000 square feet). The portion of sensitive habitat area that will be impacted shall be replaced. The project is conditioned to include a tree replacement mitigation plan, and an on site landscaping plan which will reduce impacts to ESHA to a less than significant level.
2. Coastal Plan Policy 29 - Protection of Terrestrial Habitats: Only uses dependent on the sensitive resources shall be permitted within the identified sensitive habitat portion of the site. In addition, development adjacent to ESHA shall be sited and designed to prevent impacts that would significantly degrade such areas and shall be compatible with the continuance of such habitat areas. This proposed project site includes the current tank site which is located on a disturbed site that does not contain ESHA, as well as the 6,000 square foot easement area which is not disturbed and does contain ESHA. This proposed project is not dependent on the Monterey Pine Forest, however is dependent on the location of this specific site. The proposed project is dependent on this specific site because there is existing infrastructure that connects this tank site to the community-wide water system which is gravity fed from this specific tank location. If another site were to be chosen, it may trigger the replacement of all the existing lines within the community which will create a much greater impact to sensitive resources throughout the community. Allowing the tanks to expand on the existing tank site, and on a portion of the 6,000 square foot easement will be far less of an impact then re-locating the project on another site. All impacts to
3. pines and oaks shall be replaced to reduce impacts to a less than significant level. The project has been sited and designed to reduce impacts to ESHA as much as possible.

4. Coastal Plan Policy 30 - Protection of Native Vegetation: Native trees and plant cover shall be protected wherever possible. The project as proposed will remove approximately 26 Monterey Pine trees and 24 Coast Live Oaks (both of which are native species) and will replace them with the same species at an off site location (West Ranch). The project is conditioned to include a tree replacement mitigation plan which will reduce impacts to a less than significant level.
5. Coastal Plan Policy 35 - Protection of Vegetation: The proposed tanks are sited to impact the least amount of habitat and vegetation as feasible. The project is conditioned to include mitigation which will reduce impacts to a less than significant level. This mitigation includes a tree replacement mitigation plan which proposes to replace removed pines at a 2:1 ratio and oaks at a 4:1 ratio. All pines within 20 feet of construction activities shall also be mitigated on a 1:1 ratio, and the oak trees located near construction activities shall be replaced at a 2:1 ratio. The project as proposed has been designed to reduce impacts to vegetation to a less than significant level.

Coastal Zone Land Use Ordinance

5. Sensitive Resource Area Required Findings pursuant to 23.07.164 e: Any land use permit application within a Sensitive Resource Area shall be approved only where the review authority can make the following required findings:
 - a. The development will not create significant adverse effects on the natural features of the site or vicinity that were the basis for the Sensitive Resource Area designation, and will preserve and protect such features through the site design. The project as proposed meets this finding and will not create a significant adverse effect on the Monterey Pine Forest because a mitigation plan is required to reduce impacts to a less than significant level.
 - b. Natural features and topography have been considered in the design and siting of all proposed physical improvements. This project meets this finding because it is located on a site that is relatively flat, is located in an existing residential neighborhood that is developed, and includes a landscape and tree replacement plan.
 - c. Any proposed clearing of topsoil, trees, or other features is the minimum necessary to achieve save and convenient access and siting of proposed structures, and will not create significant adverse effects on the identified sensitive resource. This project meets this finding because it has been designed to minimize impacts to the Monterey Pine Forest as much as feasible and locate the new tanks as close to the existing tanks as possible.
6. Environmentally Sensitive Habitats Required Findings pursuant to 23.07.170 b: Approval of a land use permit for a project within or adjacent to an Environmentally Sensitive Habitat shall not occur unless the applicable review body first finds that:
 - a. There will be no significant negative impact on the identified sensitive habitat and the proposed use will be consistent with the biological continuance of the habitat. The proposed project is consistent with this required finding because it will replace all impacted and removed sensitive species.
 - b. The proposed use will not significantly disrupt the habitat. This project is located in a developed residential neighborhood on the existing tank site, and the minimum amount of sensitive habitat area to the north-east. The project is conditioned to include a tree replacement mitigation plan which will reduce impacts to a less than significant level.
7. Public Utility Facilities pursuant to 23.08.288 d: The Coastal Zone Land Use Ordinance requires the approval body make a finding that there is no other feasible

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location on or off-site the property when a project is proposed within an ESHA. This project is dependent upon this specific site because this tank site is in a location where existing infrastructure exists which allows the water to be gravity fed to the community-wide water system. Re-location of the tank site may require replacement of all water lines throughout the community which will include a much greater impact to environmentally sensitive habitat, and the fiscal impact of relocation will eliminate the possibility of this project entirely.

- C. The proposed project (alternative # 4) is the most feasible project that meets most of the project's objectives within the known constraints existing on the site and mandated on the site by permitting agencies
- D. As conditioned, the proposed project or use satisfies all applicable provisions of Title 23 of the County Code.
- E. The establishment and subsequent operation or conduct of the use will not, because of the circumstances and conditions applied in the particular case, be detrimental to the health, safety or welfare of the general public or persons residing or working in the neighborhood of the use, or be detrimental or injurious to property or improvements in the vicinity of the use because the project as proposed does not generate activity that presents a potential threat to the surrounding property and buildings. This project is subject to Ordinance and Building Code requirements designed to address health, safety and welfare concerns. This project will also benefit the general public's safety because it will increase the water storage for fighting fires in the community during the fire season.
- F. The proposed project or use will not be inconsistent with the character of the immediate neighborhood or contrary to its orderly development because it is located within an existing developed residential neighborhood, and will replace two existing water tanks. There will be no greater impact to the character of the neighborhood than exists today, and in fact will be better because the new tanks will be safer than the existing tanks.
- G. The project will not result in substantial detrimental effects of the enjoyment and use of adjoining properties.
- H. The proposed project or use will not generate a volume of traffic beyond the safe capacity of all roads providing access to the project, either existing or to be improved with the project because the project is located on a road constructed to a level able to handle any additional traffic associated with the project.

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CONDITIONS OF APPROVAL - EXHIBIT B
DRC2004-00093

1. This permit authorizes:
 - A. The replacement of two existing 103,000-gallon water tanks with two new 550,000-gallon water tanks.
 - B. Relocating an existing control panel and overhead electric service.
 - C. The removal of approximately 26 pine and 24 oak trees, and replanting of **59** Monterey pine trees and **114** Coast live oak trees in the designated replacement area on the West Ranch.
 - D. This project shall be consistent with the approved site plans, landscape plans, and elevations dated January 5, 2005 (AKA Alternative # 4 involving the use of 6,000 square feet of undisturbed ESHA).
 - E. Maximum Height for the project is **35'** as measured from average natural grade. This height limit includes all structures associated with the tanks including but not limited to: railings, stairs, vents, or any other mechanical/non-mechanical equipment on top of the tank.

Aesthetics

2. Construction staging shall be designated as far as possible from existing single-family homes, however construction staging shall not impact any more Monterey Pine or Oak trees than those identified in condition 1.C. above.
3. Construction areas shall be maintained to minimize unnecessary debris piles.
4. Construction areas shall implement dust control measures (i.e. watering).
5. **Prior to any ground disturbing activities** the applicant shall submit a tank color board to the Department of Planning and Building for review and approval.
6. Any lighting proposed on site shall be shielded to keep all light on site and shall not emit any direct light offsite.
7. **Prior to any ground disturbing activities**, a fencing and screening plan shall be submitted for review and approval. Public Utility Facilities shall be screened on all sides. An effective visual barrier will be established through the use of a solid wall, fencing and/or landscaping.

Air Quality

8. Water trucks or sprinkler systems shall be utilized in sufficient quantities to prevent airborne dust from leaving the project site. Increased water frequency shall be required whenever wind speeds exceed 15mph. Reclaimed (nonpotable) water shall be used.
9. All dirt stockpile areas shall be covered or sprayed daily as needed. Dirt stockpiles shall not be located to impact healthy pine or oak trees.
10. All disturbed soil areas shall be revegetated and stabilized after construction activities are complete, and reviewed and approved by the County Department of Planning and Building.
11. Streets shall be swept at the end of each day if visible soil material is carried onto adjacent paved roads.

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Biological Resources

12. Permeable materials shall be used for driveways, walkways, and roads.
13. **Prior to any ground disturbing activities**, a Replanting Mitigation Plan shall be prepared that includes the location of the restoration site and, the type, size and location of vegetation to be planted. The replanting plan shall state the density of planting and avoid overcrowding. The plan shall also include information on weed control and irrigation. The plan shall require that oak tree seedlings are caged from browsing animals and that all new plants are being weeded regularly. The plan shall also include yearly monitoring for no less than three years or until vegetation is successfully established. This mitigation plan shall be reviewed and approved by the San Luis Obispo County Planning and Building Department.
14. The applicant shall limit tree removal to no more than 26 healthy pine trees having a eight inch diameter or larger at four feet from the ground and no more than 24 oak trees having a six inch diameter or larger at four feet from the ground. Construction plans shall clearly delineate all trees within 50 feet of the proposed project, and shall show which trees are to be removed or impacted, and which trees are to remain unharmed.
15. **Prior to any ground disturbing activities**, the applicant shall fence the proposed area of disturbance and clearly tag which trees are to be removed or impacted. The trees tagged in the field shall be consistent with the trees delineated on the construction plans. Tree removal, grading, utility trenching, compaction of soil, or placement of fill shall not occur beyond the fenced disturbance area. **The fencing shall remain installed until the project is complete.**
16. **Prior to operation of the new facility**, the applicant shall demonstrate that the easement on the neighboring property (APN 013,111,005) has been reduced to meet the minimum site necessary to construct alternative # 4.
17. Pine and oak trees removed as a result of the construction and site disturbance activities shall be replaced at a 2:1 ratio for the pine trees and at a 4:1 ratio for the oak trees. Trees that are not proposed for removal, but are being impacted as a result of construction shall be replaced at a 1:1 ratio for pine trees and at a 2:1 ratio of oak trees. Monterey pine replacement trees shall be in-kind and one gallon saplings grown from the Cambrian stand; *Pinus radiata macrocarpa*. Replacement Coast live oak trees shall also be at least one gallon container sizes.
 - A. Removed trees: There are **twenty-six (26)** Monterey pine trees being removed, and **twenty-four (24)** Coast live oak trees are being removed as a result of construction activities.
 - B. Impacted trees: There are **seven (7)** Monterey pine trees proposed to be impacted, and **nine (9)** Coast live oak trees proposed to be impacted
 - C. Replacement Pines: A total of **59** Monterey pine trees shall be replanted.
 - D. Replacement Oaks: A total of **114** Coast live oak trees shall be replanted.
18. **Within 9 days of issuance of the land use permit**, the replacement trees required in Condition #14 above shall be planted. These newly planted trees shall be maintained until successfully established. This shall include caging from animals (e.g., deer, rodents), periodic weeding and adequate watering (e.g., drip-irrigation system). If possible, planting during the warmest, driest months (June through September) shall be avoided. In addition, standard planting procedures (e.g., planting tablets, initial deep watering) shall be used.

19. Once the replacement trees have been planted, the applicant shall retain a qualified individual (e.g., landscape contractor, arborist, nurseryman, botanist) to prepare a letter stating the above planting and protection measures have been completed. This letter shall be submitted to the Department of Planning and Building for review and approval.
20. To promote the success of the new trees, the applicant shall retain a qualified individual (e.g., arborist, landscape architect/ contractor, nurseryman) to monitor the new trees until successfully established, on an annual basis, for no less than three years. The first report shall be submitted to the County Environmental Coordinator one year after the initial planting and thereafter on an annual basis until the monitor, in consultation with the County, has determined that the newly planted vegetation is successfully established. The applicant and successors-in-interest agree to complete any necessary remedial measures identified in the report and approved by the Environmental Coordinator.
21. The applicant recognizes this and agrees to minimize trimming of the remaining pine and oak trees. If trimming is necessary, the applicant agrees to either use a skilled arborist or apply accepted arborist's techniques when removing limbs. Unless a hazardous or unsafe situation exists, trimming shall be done only during the winter for deciduous species. Smaller trees (6 inches diameter and smaller) within the project area are considered to be of high importance, and when possible, shall be given similar consideration as larger trees.
22. Wherever soil compaction from construction has occurred within drip lines of trees, the compacted root zone area shall be aerated by using the following techniques: Injecting pressurized water, careful shallow ripping that radiates out from the trunk (no cross root ripping), and/or other techniques approved by a qualified professional.
23. To prevent or reduce the spread of disease from pine pitch canker, bark beetles or other diseases affecting the forest, the following measures shall be followed if native oaks and Monterey pine are removed from the site:
 - A. Infected or contaminated material shall not be transported to areas that are free of the disease.
 - B. When cutting or pruning a diseased tree, tools shall be cleaned with a disinfectant before using them on uninfected branches or other trees.
 - C. Disease and insect buildup shall be avoided by prompt removal and disposal of dead pine material by either burnings (where and when allowed), burying, tarping with clear plastic for six months, or chipping. If material is chipped, it shall be left as a thick layer on site.
 - D. Plant material shall be covered or enclosed when it is taken off site to avoid dispersal of contaminated bark beetles.
24. Native evergreen trees and shrubs shall be used to screen the tank from the adjacent residential neighborhood. Proposed native plants to be utilized for landscaping shall include: Monterey cypress (*Cupressus macrocarpa*), coast redwood (*Sequoia sempervirens*), Pacific wax myrtle (*Myrica californica*), coffeeberry (*Rhamnus californicus*) and pink winter currant (*Ribes sanguineum*). If Monterey pines are used, they shall be of "local stock" and not from out of area sources.
25. The construction zone and a zone within 30 feet from the project limits shall be monitored the following spring after construction for the presence of invasive exotic plant species. If present, these species shall be treated and follow-up monitoring and

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treatments shall occur until the incidence of these plants is similar or less than the incidence (cover) of the adjacent undisturbed area.

Cultural Resources

26. In the event archaeological resources are unearthed or discovered during any construction activities, the following standards apply:
- A. Construction activities shall cease and the Environmental Coordinator and Planning Department shall be notified so that the extent and location of discovered materials may be recorded by a qualified archaeologist, and disposition of artifacts may be accomplished in accordance with state and federal law.
 - B. In the event archaeological resources are found to include human remains, or in any other case where human remains are discovered during construction, the County Coroner is to be notified in addition to the Planning Department and Environmental Coordinator so that proper disposition may be accomplished.

Geology and Soils

27. An erosion control plan shall be prepared in accordance with Section 23.05.036 of the County of San Luis Obispo Coastal Zone Land Use Ordinance. The erosion control plan shall outline methods that shall be implemented to control erosion from graded or cleared portions of the site, including but not limited to:
- A. Placing sandbags where appropriate along the perimeter of a project site prior to initial grading if grading is to be undertaken during the rainy season (October 15 through April 15).
 - B. Minimizing the length of time that soils lie exposed.
 - C. Revegetating graded areas in a manner approved by the County Department of Planning and Building.
 - D. Sediment and erosion control measures shall be implemented during project construction in accordance with Section 23.05.036 (d) of the County Coastal Zone Land Use Ordinance. These measures include slope surface stabilization and erosion and sedimentation control devices.

Noise

28. Construction activities for the proposed project shall be limited to the hours between 7 am and 9 pm Monday to Friday and 8 am to 5 pm Saturday to Sunday in accordance with Section 23.06.042 of the Coastal Zone Land Use Ordinance.
29. The CCSD shall provide notification to residences within 300 feet of planned construction activities, which also includes the overall duration of the various construction stages. The notification shall also describe the noise abatement measures that have been taken.
30. During all site preparation, grading and construction, the CCSD shall require the construction contractors to maintain and operate all equipment consistent with the manufacturers' specifications.
31. The CCSD shall ensure that construction equipment includes available noise suppression devices and properly maintained mufflers to the most feasible extent. Construction noise shall be reduced by using quiet or "new technology" equipment, particularly the quieting of exhaust pipes by use of improved mufflers where feasible. All internal combustion engines used at the project site shall be equipped with the type of

muffler recommended by the vehicle manufacturer. In addition, all equipment shall be maintained in good mechanical condition so as to minimize noise created by faulty or poorly maintained engine, drive-train and other components.

32. Staging of construction equipment and unnecessary idling of equipment within 200-feet of residences shall be avoided whenever feasible.

On-going conditions of approval (valid for the life of the project)

33. This land use permit is valid for a period of 24 months from its effective date unless time extensions are granted pursuant to Land Use Ordinance Section 23.02.050 or the land use permit is considered vested. This land use permit is considered to be vested once a construction permit has been issued and/or substantial site work has been completed. Substantial site work is defined by Land Use Ordinance Section 23.02.042 as site work progressed beyond grading and completion of structural foundations; and construction is occurring above grade.
34. All conditions of this approval shall be strictly adhered to, within the time frames specified, and in an on-going manner for the life of the project. Failure to comply with these conditions of approval may result in an immediate enforcement action by the Department of Planning and Building. If it is determined that violation(s) of these conditions of approval have occurred, or are occurring, this approval may be revoked pursuant to Section 23.10.160 of the Land Use Ordinance.

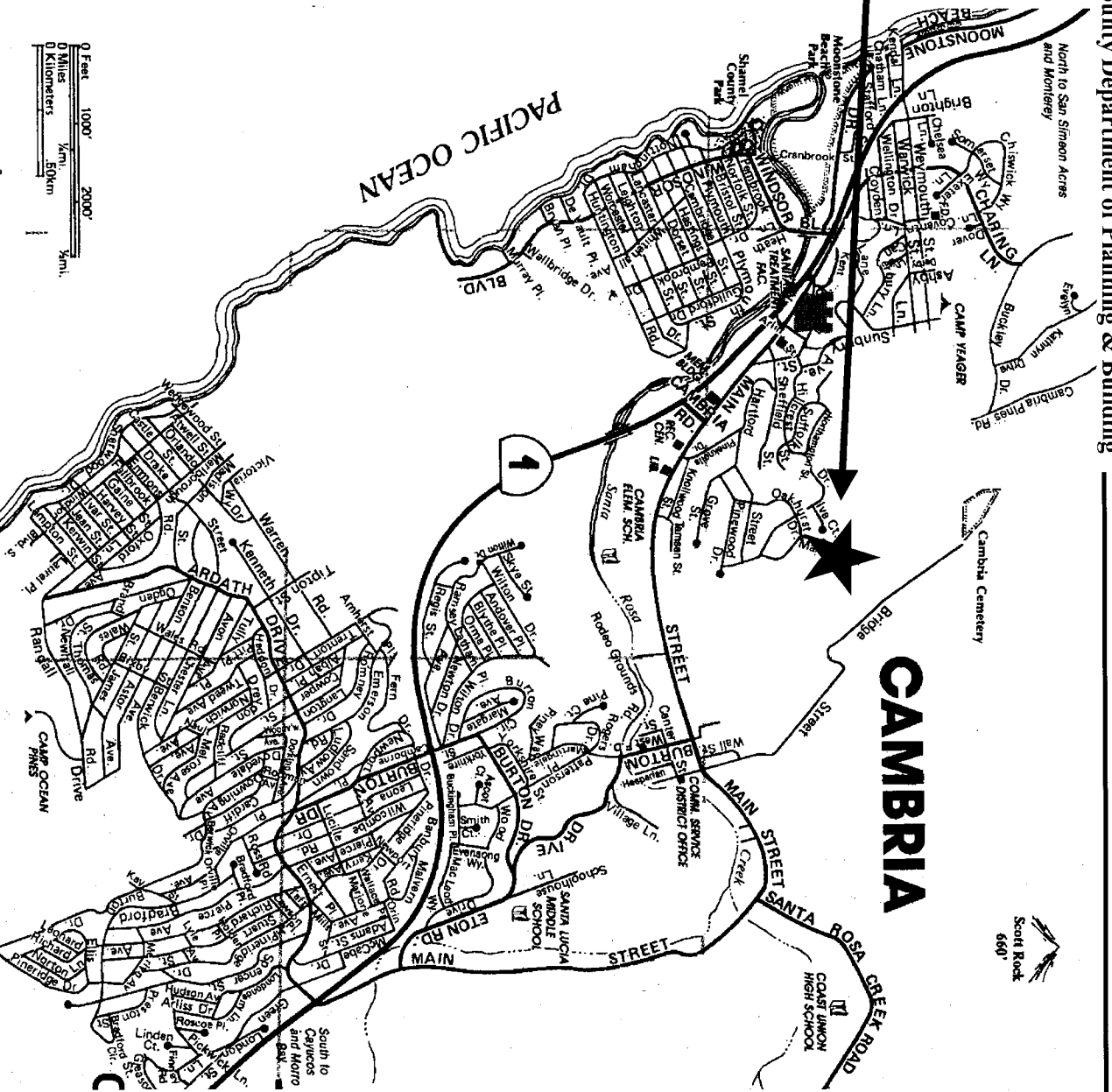
Public Utility Facilities Development Standards

35. Prior to any construction permits the applicant shall submit an environmental quality assurance program covering all aspects of construction and operation. This program shall include a schedule and plan for monitoring and demonstrating compliance with all conditions required by the Development Plan.

North to San Simeon Across
and Monterey



SITE



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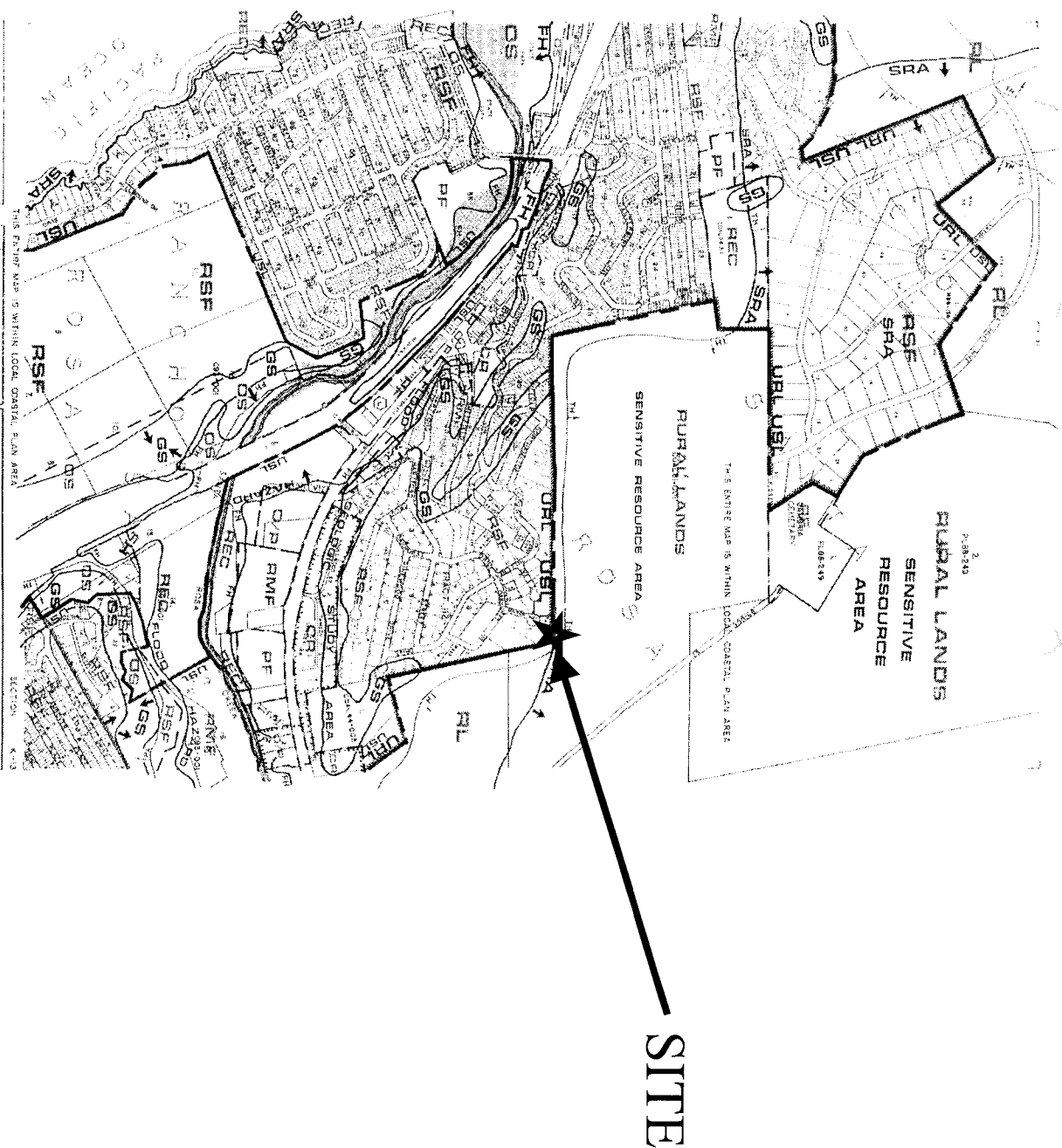
Project
Conditional Use Permit
CCSD/DRC2004-00093



Exhibit
Vicinity Map

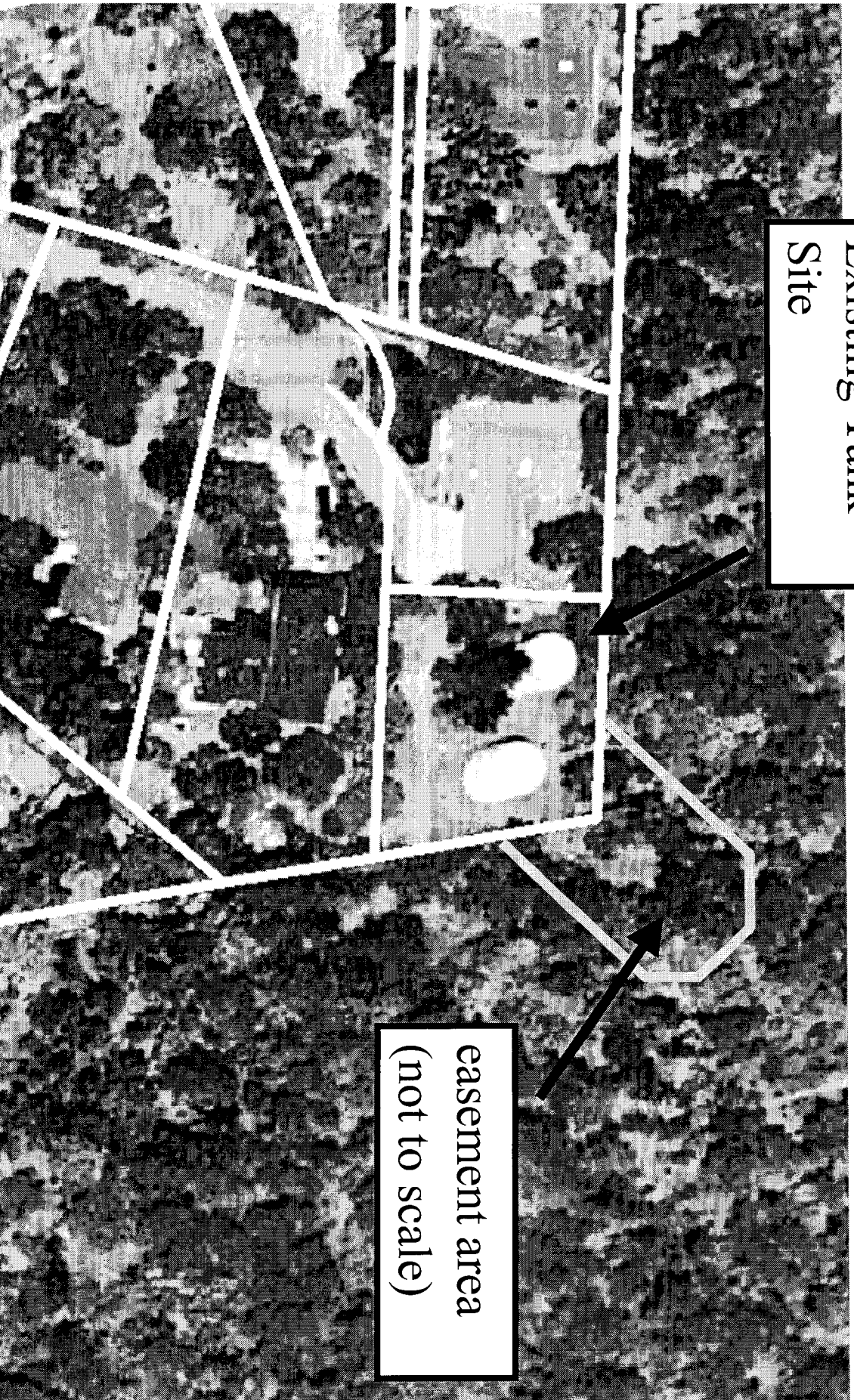
Exhibit

Land Use Category Map – Residential Single Family & Rural Lands



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Existing Tank
Site



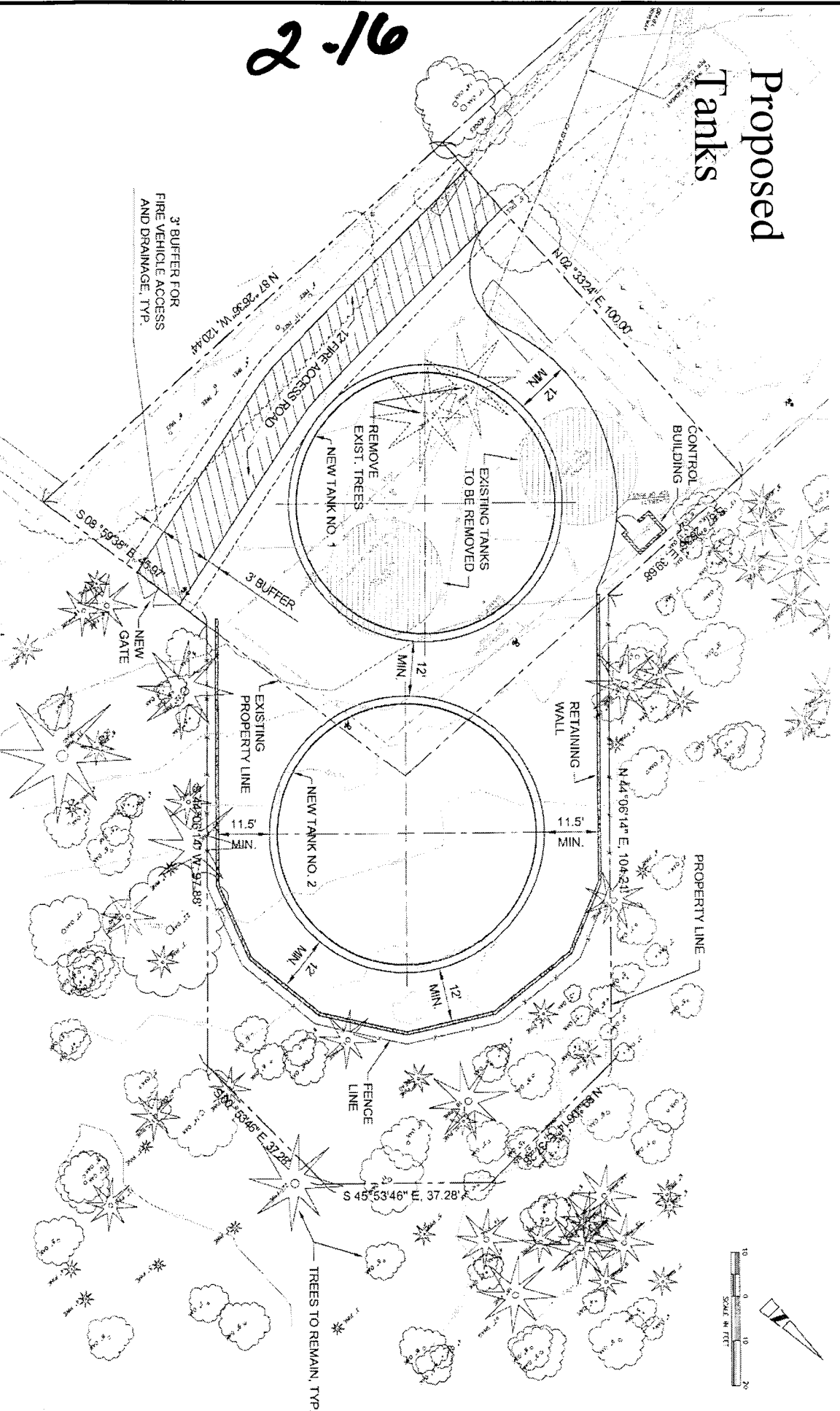
easement area
(not to scale)

Project
Conditional Use Permit
CCSD/DRC2004-00093



Exhibit
Vicinity Map

Proposed Tanks



Project

Conditional Use Permit
CCSD/DRC2004-00093



Exhibit

Proposed Site Plan-Alternative # 4



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SAN LUIS OBISPO COUNTY
DEPARTMENT OF PLANNING AND BUILDING

VICTOR HOLANDA, AICP
DIRECTOR

TO: PLANNING COMMISSION

**FROM: MATT JANSSEN, SUPERVISING PLANNER
RYAN HOSTETTER, PLANNER II**

DATE: FEBRUARY 1, 2005

**SUBJECT: CCSD RESPONSE TO YOUR REQUEST FOR MORE INFORMATION
ON THE PINE KNOLLS TANKS REPLACEMENT PROJECT**

On January 13, 2005, your Commission held the first hearing on the Cambria Community Services District Pine Knolls Tanks Replacement project. Included in the motion for a continuance to February 10, 2005, was a request for more information regarding three specific items:

1. Language regarding how the conservation easement on the Covell property will be amended,
2. Information regarding CCSD's proposed action to amend their CEQA document (as the Lead Agency under CEQA), and
3. Responses to the letter from the Coastal Commission's letter of January 12, 2005.

The first two items are attached. Staff will mail item #3 to you separately when it becomes available.

Also, the project description (Condition of Approval #1 in your staff report) needs to include the following: *"the replacement of approximately 200 linear feet of buried 10 inch asbestos waterline and valves with 14 inch concrete coated welded steel cement-lined waterline and valves in the existing driveway between the tank site and the end of Manor Way"*. This information appears at the top of page 12 of item #2 submitted by CCSD and was not known to staff at the time of staff report preparation. Staff considers this project description addition to be minor in nature and not result in any additional impacts to the Pine Forest ESHA because it is within an existing development driveway alignment.

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MEMORANDUM

January 19, 2005

To: Tammy Rudock, General Manager

From: Arther R. Montandon, District Counsel

RE: Pine Knolls Tanks Coastal Development Application
Questions of County Planning Commission

Questions were raised at the January 6, 2005 Planning Commission meeting regarding the conservation easement that overlies 1,644 acre Covell Ranch. These questions concern the process the CCSD is required to follow to acquire the less than a 1/4th acre easement by eminent domain and the impact of that acquisition on the conservation easement.

A condemnation of property by a public entity has to follow a strict statutory procedure. The law requires an appraisal, precondemnation offer to purchase the property for the appraised price, a public hearing with notice to the property owners of the adoption of a resolution of necessity to condemn (requires a 4/5ths vote), and a right to a jury trial to determine what "just compensation" the CCSD is to pay for the property.

The CCSD obtained an appraisal of the property to be acquired, which outlines some of the appraiser's efforts to appraise the value of the property. The appraiser spoke to Mr. Covell, on February 24, 2004, about the CCSD's acquisition of the 1/4th acre site and offered to meet with him and conduct a joint inspection of the property. Mr. Covell declined this offer. On June 1, 2004 the CCSD's appraiser again spoke to Mr. Covell. Mr. Covell stated that the loss of the 1/4 acre would have a minimal impact on his use of the property.

The appraiser also researched the title to the 1,454 acre ranch. A. L. Central Coast Estates, Inc., acquired the property in 1996 for \$2,800,000. On December 14, 2000 it sold a conservation easement to the Nature Conservancy for \$4,066,500 and the underlying property to Mr. Covell for \$433,500.

The conservation easement provides for condemnation in paragraph 22, page 17. It states:

22. **Condemnation.** If all or any portion of the Property is taken by the exercise of eminent domain by public, corporate, or other authority so as to abrogate the restrictions imposed by this Easement, Grantor and Grantee shall join in appropriate actions at the time of such taking to recover full value of the taking and all incidental or direct damages resulting from the taking, which proceeds shall be

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divided in accordance with the proportionate value of the interests of Grantor and Grantee at the time of the grant, it being expressly agreed that the Easement constitutes a compensable property right.....

The right of the CCSD to condemn the easement, and the underlying property, was acknowledged by the Nature Conservancy by letter dated June 2, 2004, which sets forth the entire condemnation paragraph. (Attached).

Due to the fact that a settlement could not be reached the CCSD filed its condemnation lawsuit on September 28, 2004. The CCSD has followed this strict legal procedure and after three hearings, has acquired an order to possess the property. This order allows the CCSD to construct its project. The only remaining issue for the trial court is how much money the CCSD has to pay for the property.

After a jury determines the "just compensation" for the property, the CCSD will deposit this amount with the court. The court then issues the final order of condemnation. This order is recorded with the County Recorder and vests clear title to the property in favor of the CCSD. (See, CCP § 1268.030). If there is a dispute between the Nature Conservancy, Mr. Covell, and any other lien holders on the amount of money each is to receive, the court proceedings continue, without the CCSD, to determine how the money is to be split. The recordation of the final order will, in effect, amend the area of land covered by the Conservation Easement by removing this ¼ acre from the easement.

If there are any other questions you believe I need to respond to I will be happy to do so.

CC. Bob Gresens, District Engineer

Attachment



San Luis Obispo County Office
P.O. Box 1004
San Luis Obispo, CA 93406

tel [805] 544.1767
fax [805] 544.2209
nature.org/california

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June 2, 2004
via U.S. mail and fax 805/927-5584

Robert C. Gresens
Cambria Community Services District
1316 Tamson Drive
P.O. Box 65
Cambria, CA 93428

Subject: Pines Knolls Storage Tank Replacement Project
Covell property, APN #013-111-005

Dear Bob:

This letter is in response to your letter of April 29 regarding the proposal to locate a water storage tank on the Covell property, which is subject to a conservation easement held by The Nature Conservancy (TNC). This letter will provide some additional detail on the issues that Anne McMahon and I have already shared with you regarding legal requirements and TNC's standard operating procedure for amendments to conservation easements.

We understand how important it is that the Cambria Service District (CSD) to move forward with a project to expand its water storage capacity in order to be prepared to control residential and wildfires. You may be interested to know that TNC is working in partnership with the California Department of Forestry and Mr. Covell to explore the idea of creating shaded fuel breaks along Bridge Street as well as along some of the urban interface of the Covell property. The timing will of course depend on the time required to process the necessary paperwork as well as the availability of CDF crews, but we are all committed to completing the project as soon as possible.

Although we are also very interested in exploring how TNC can work with you and the CSD to find a workable alternative for the storage tank project, I want to be sure you fully understand each of the requirements we must fulfill before any amendment to the easement is contemplated. Those include:

1. TNC's standard operation procedure requires that the following conditions be carefully considered and met:

- A. Conservation Purpose Test - TNC must conduct a thorough review of the proposed amendment to the existing conservation easement to ensure that the overall goals and objectives of the original easement would not be diminished by the amendment. While your proposal provides two offset areas (the Pine Knolls and Liemert tank sites) that together are similar in size to the area now under the conservation easement which would be impacted by

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CAMBRIA COMMUNITY
SERVICES DISTRICT

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what you are proposing, there are significant issues TNC must carefully examine, including the relative health of the forest in each of those areas and the potential impacts to nearby Monterey pines from construction the new tank. After his recent visit with you to each of the sites, our contract biologist Daniel Bohlman observed a healthy Monterey pine forest ecosystem at the conservation area on the Covell property (healthy pines with multi-aged seedlings and saplings, coast live oaks, toyons and numerous native forbs), while the Pine Knolls and Liemert sites were dominated by non-native forbs, shrubs and grasses and some pines, but no visible recruitment of pines or oaks. In addition to those significant differences, he noted other issues with the Pine Knolls and Liemert sites - including the proximity of nearby homes, required fire-related setbacks, and vegetation management practices around the existing tanks - which would likely not be compatible with the restoration efforts that would be required to improve those sites to a condition closer to what now exists on the Covell property.

- B. Evaluation - Private Benefit Rule - As a 501(c)(3) public charity, TNC must be sure that any amendment to an easement will not result in a violation of the private benefit rule, in other words, if the landowner received any value attributed to the change, that landowner must compensate TNC in an amount that is at least equivalent to the value enhancement. We would need appraisals for both the land removed from the easement as well as for any proposed replacement parcels. There would be other financial considerations as well, including the significant additional costs associated with monitoring and managing a second easement.
- C. Donor Relations - This condition applies only to easements which were donated to TNC. The easement in question was purchased, not donated, so this condition does not apply.
- D. State Law - A TNC attorney would need to determine that the proposed amendment complies with all applicable state laws.

If each of those conditions could be satisfied, then the procedure would be:

- 1) to work with the landowner to secure the approval from the relevant state authority which provides oversight of charitable organizations, typically the State Attorney General's Office, Department of Corporations and Taxation, or Secretary of State. Additional approvals from a court of law may also be required, and;
- 2) seek approval from TNC's General Counsel and President.

As you can see, not only would the process be extremely cumbersome, but it may be very difficult to satisfy all four conditions, particularly the Conservation Purpose Test.

In addition to the requirements of the standard operating procedure, TNC must fully explore whatever constraints may exist in the grant agreement with the California Department of Transportation, which provided the funding to purchase the conservation easement. As I am sure you can fully appreciate and understand, because the easement was purchased with public funding, any modification of the easement will be closely scrutinized and must be thoroughly evaluated.

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In our earlier conversations, you indicated that if time constraints or other challenges associated with amending the easement are insurmountable, an alternative option available to the CSD would be eminent domain. In the event that the CSD decided to pursue that option, the following language in the TNC's conservation easement on the Covell property would then apply.

Condemnation. *If all or any portion of the Property is taken by the exercise of eminent domain by public, corporate, or other authority so as to abrogate the restrictions imposed by this Easement, Grantor and Grantee shall join in appropriate actions at the time of such taking to recover the full value of the taking and all incidental or direct damages resulting from the taking, which proceeds shall be divided in accordance with the proportionate value of the interests of Grantor and Grantee at the time of this grant, it being expressly agreed that the Easement constitutes a compensable property right. All expenses incurred by Grantor and Grantee in such action shall be paid out of the recovered proceeds. Any funds so recovered for the value of the Easement by a condemnation judgement (or by sale or any other extinguishment of the Easement) which were provided under the Transportation Enhancement Activities Program (the "TEA Program") or the Environmental Enhancement and Mitigation Program (the "EEM Program") funded by the State of California, acting through the California Department of Transportation ("Caltrans"), also hereinafter referred to as "State," shall be returned to Caltrans unless expressly authorized in writing by Caltrans to be reinvested by Grantee in another TEA Program or EEM Program at another site protected through similar use conditions for the protection of environmental resources. The amount of funds so returned by Grantee to State or reinvested pursuant to this paragraph (the "Returned Funds") shall be calculated as follows: The net proceeds recovered by Grantee (after deduction of Grantee's and Grantors' expenses, as described above) shall be multiplied by a fraction, the numerator of which is the amount of funds granted by Caltrans to Grantee for the acquisition of the Easement (the "Grant Funds") and the denominator of which is \$4,066,500.*

I want to reiterate that TNC understands both the urgency and the importance of resolving Cambria's water storage needs, and we look forward to working with you and the CSD to find the best possible solution. Please feel free to contact me at 594-1658 or mbell@tnc.org if you have any questions or need any additional information.

Sincerely,



Michael Bell
Project Director

Cc: Ralph and Tracy Covell
Bill Hunter, Regional Attorney, The Nature Conservancy California

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CAMBRIA COMMUNITY SERVICES DISTRICT

TO: Board of Directors

AGENDA NO. X.C.

FROM: Bob Gresens, District Engineer

Meeting Date: January 27, 2005

Subject:

Adopt Resolution 02-2005 Approving an Amendment to Project Description of the Pine Knolls Tank Replacement Project (adjustment in the precise alignment of the two planned 550,000-gallons tanks on the site).

RECOMMENDATIONS:

Adopt Resolution 02-2005 Approving Amendment to Project Description in the Mitigated Negative Declaration of Pine Knolls Tank Replacement Project (adjustment in the precise location of the two planned 550,000-gallon tanks on the site).

FISCAL IMPACT:

Delays and additional engineering are impacting the project costs. The project has been delayed since October 2004 due to the Coastal Commission's cease and desist order and the County's withdrawing its earlier permit. Delay costs are yet to be determined. Considerable engineering time has also been spent responding to concerns raised by the Coastal Commission staff questions and in developing alternative layouts.

DISCUSSION:

Replacement of the Pine Knolls water tanks is a Priority Level 1 project for the District in order to provide public health and safety needs. The existing tanks are both too small in volume for fire-fighting purposes, and inadequate to resist seismic forces. In compliance with the California Environmental Quality Act, the Board conducted a public hearing on July 22, 2004 and adopted the project's Mitigated Negative Declaration and a Mitigation and Monitoring Plan. The hearing was preceded by an advertisement in The Tribune newspaper on July 15, 2004, a 30-day public review period that ended on July 7, 2004, and normal District Board meeting noticing. A final Notice of Determination on the project was filed with the County Clerk's office on July 30, 2004.

Following the close of the CEQA process, the District obtained an emergency permit from the County of San Luis Obispo that would have allowed construction of the project in October 2004. However, this permit was rescinded by the County in response to comments received from the Sierra Club and the California Coastal Commission after the project's CEQA review process was completed. The California Coastal Commission also issued a Cease and Desist Order to the District based primarily on that agency's concerns over the loss of habitat within a 9,115 square foot area northeast of the existing tank site. This is also the same area where

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property rights to allow construction were obtained through an eminent domain action. To address the loss of this habitat, the offsetting mitigations adopted by the Board on July 22, 2004 included planting a new area of over 10 times the area impacted.

In attempts to resolve concerns raised by the Coastal Commission, several lengthy conference calls and meetings have been held. For example, on October 20, 2004 I traveled to their offices in Santa Cruz to explain the project and provide background materials. Since then, there have been lengthy meetings between our staffs, where we have also included our consultant, Boyle Engineers, to fully describe basic system hydraulics and other design constraints. More recently, a four-hour workshop occurred with their staff on December 29, 2004. As part of a good faith effort to address concerns raised by the Coastal Commission, we have developed at least two subsequent tank layouts. This has culminated in the tank layout being presented to you today that reduces the footprint in the area to the northeast from 9,115 square feet, to 6,100 square feet. Staff believes the layout resulting in 6,100 square feet to the northeast is an absolute minimum area required based on our review of all the project's design constraints. This revised layout impacts less area outside of the existing tank site when compared to all previous design concepts.

To further assist with your review of this matter, we have also developed visual simulations that will be presented during today's discussion and are a part of the attached project description update. Staff has also reviewed the project revisions with our project's CEQA-consultant, RBF Consulting. Staff and RBF are of the opinion that the overall project impacts are reduced by lowering the impacted area to the northeast from 9,115 square feet to 6,100 square feet, and the mitigation measures adopted on July 22, 2004 apply to the revised project description without any further additional measures being required. Therefore, no further mitigations are recommended beyond those that were previously adopted as part of the Board's July 22, 2004 Public Hearing, and an amendment to the project description is all that is required by the CEQA process. The attached resolution amends the project description, and is being recommended for your approval.

Attachments:

- Resolution 02-2005
- Revised Project Description

BOARD ACTION: Date _____ Approved: _____ Denied: _____

UNANIMOUS: __CHALDECOTT__ CCIBIN __ FUNKE-BILU __ SANDERS __ VILLENEUVE__



CAMBRIA COMMUNITY SERVICES DISTRICT

RESOLUTION NO. 02-2005
January 27, 2005

**A RESOLUTION OF THE BOARD OF DIRECTORS
OF THE CAMBRIA COMMUNITY SERVICES DISTRICT
REVISING THE PROJECT DESCRIPTION OF THE PINE KNOLLS TANK
REPLACEMENT PROJECT
(TWO, 550,000-GALLON WELDED STEEL TANKS)**

WHEREAS, on April 3, 2003 the Board approved Resolution 16-2003 authorizing staff to secure professional services needed for the completion of Priority Level 1 water distribution system improvements that were identified in a draft Water Master Plan Update report as needed for fire fighting purposes, and

WHEREAS, additional storage tank capacity at the Pine Knolls Tank site had been identified as a Priority Level 1 improvements to provide adequate storage capacity for fire fighting purposes, and

WHEREAS, on May 29, 2003 the Board authorized RBF Consulting (hereinafter referred to as "environmental consultant"), to complete necessary environmental clearance documentation for purposes of complying with the California Environmental Quality Act, and

WHEREAS, several alternative tank configurations were analyzed and presented during a March 25, 2004 Board meeting, with a two steel tank configuration deemed to be responsive to public review comments received on an earlier design concept, and

WHEREAS, on June 3, 2004 the District issued a Notice of Intent to Adopt a Negative Declaration that began the public review and comment period of an Initial Study and Mitigated Negative Declaration for the entitled "Pine Knolls Tank Replacement Project (Two, 550,000-gallon Welded-Steel Tanks)," hereinafter referred to as "the project", and

WHEREAS, on July 7, 2004 the District closed the public comment period on the Initial Study and Mitigated Negative Declaration for the project, and

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Page 2
January 27, 2005

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WHEREAS, On July 22, 2004 the District Board conducted a public hearing on the publicly circulated Initial Study and Mitigated Negative Declaration for the project and accepted responses to written comments, revisions to the draft Initial Study/Mitigated Negative Declaration, and, a Mitigation Monitoring and Reporting Checklist prepared by the District's environmental consultant, and

WHEREAS, On October __, 2004 the California Coastal Commission issued a cease and desist order stopping construction of the project, and

WHEREAS, The District has attempted to address concerns raised by the Coastal Commission by moving the new tanks closer onto District property.

Therefore, the Board of Directors of the Cambria Community Services District does hereby resolve as follows:

1. The Project Description is revised to allow decreasing the area required northeast of the existing tanks site from 9,115 square feet to 6,100 square feet.
2. Mitigation Monitoring and Reporting Checklist adopted by the Board as part of its July 22, 2004 Public Hearing remain unchanged and in effect.

PASSED AND ADOPTED THIS 2nd day of January 2005.

Greg Sanders, President,
Board of Directors

APPROVED AS TO FORM:

Art Montandon,
District Legal Counsel

ATTEST:

Kathy Choate, District Clerk

2.0 PROJECT DESCRIPTION

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2.1 PROJECT LOCATION AND SURROUNDING USES

The Pine Knolls Tank Replacement Project site is located within the unincorporated community of Cambria in the County of San Luis Obispo, California (refer to Exhibit 1, *Regional Vicinity*). The subject site is situated at the terminus of Manor Way in the Pine Knolls residential neighborhood of Cambria (refer to Exhibit 2, *Local Vicinity*, and Exhibit 2A, *Project Location & Land Uses*). A gravel driveway, or access way, located at the terminus of Manor Way, provides access to the project site. The project area is bordered by single-family residents to the south and west, and open space to the north and the east (refer to Exhibit 3, *Site Photographs*).

Approximately 64-percent of the proposed project site encompasses the existing Pine Knolls tank site. The existing Pine Knolls tank site area is approximately 11,000 square feet and consists of two 103,000-gallon water tanks at an elevation of approximately 285-feet above mean sea level (msl). Each water tank is 24-feet in diameter and 32-feet in sidewall height. Sparse cover of annual grasses and weedy species occurs on the existing tank site. Landscape trees and shrubs are located along the site's western and southern boundary, providing screening for the adjacent neighborhood. The County's urban services line defines the northern and eastern borders of the existing tank site.

The proposed project area would include the existing Pine Knolls tank site, as well as an extension of approximately 6,100 square-feet of land area from the northeastern portion of the existing tank site (herein, referred to as the "northeast expansion area"). Thus, the total proposed project area, including the existing tank site, is approximately 17,100 square feet. The northeast expansion area is part of a 1,644-acre area held in a conservation easement by The Nature Conservancy. The undeveloped northeast expansion area consists of densely vegetated species associated with the Closed-Cone Coniferous Forest and the Monterey Pine Series. From maps on file with the County and State, a Terrestrial Habitat (TH) boundary line to the northeast of the project determines the mapped Environmentally Sensitive Habitat Area (ESHA). However, according to past discussions with County planning staff, the existing tank site as well as the northeast expansion area of the proposed project site is considered to be within a sensitive resource area (SRA) due to both areas containing Monterey Pines.¹ Section 4.4, *Biological Resources*, of this document provides further detail regarding the biological resources and land use regulations associated with the SRA.

According to County and State maps (e.g., Map K-13), much of Cambria is within mapped ESHA. This is because much of the mapped ESHA area is determined by the Terrestrial Habitat (TH) boundaries shown in relationship to the growth of Monterey Pines. Of all the CCSD storage tanks sites located within Cambria, the Pine Knolls tank site is the only tank site that is not within a mapped ESHA area. The revised project layout avoids the mapped ESHA boundary by being outside of the mapped TH boundary (See Figure 2A). However, according to discussions with County planning staff, the area outside of the mapped TH boundary is also subject to the County's rules of interpretation.

The topography of the existing Pine Knolls tank site is level and soils have been compacted or modified for current uses. The upper one (1) to 4.5 feet of soil consists of light brown poorly graded sand with clay, in a medium dense condition. Underlying the surficial soil is one (1) to three

¹ Source: March 31, 2004 meeting between John Hofschroer (County Planning) and Robert Gresens (CCSD). Mr. Hofschroer cited paragraph 23.01.041 c. (3) of the Coastal Zone Land Use Ordinance, which provides that the Planning Department can determine the actual SRA boundary. Mr. Hofschroer noted that he interpreted the SRA area, identified in the San Luis Obispo County General Plan Land Use Element, to include the existing Pine Knolls tank site.

January 27, 2005 Revision to the Initial Study/Mitigated Negative Declaration entitled:

"Pine Knolls Tank Replacement Project (Two, 550,000-gallon Welded Steel Tanks)"

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(3) feet of very stiff, mottled sandy lean clay, identified as residual soil. At 2.5 to six (6) feet below grade, there is mottled hard rock (sandstone). The topography of the northeast expansion area is also relatively level, with topography that varies by approximately 5-feet higher than the existing Pine Knolls tank site. The soils within the northeast expansion area have not been modified from their natural state. These soils are classified as San Simeon sandy loam, 9 to 15 percent slopes. San Simeon sandy loam is a moderately deep, moderately well drained, strongly sloping soil that occurs on foothills and terraces.

2.2 BACKGROUND

The CCSD has implemented a phased Water Master Planning update process that includes six (6) task items. The six tasks are as follows:

- Task 1: Land Use and Building Analysis - Analysis of future water needs based on detailed mapping of water facilities, lots, land use, and geographic features.
- Task 2: Water Supply and Availability Analysis - Assessment of existing groundwater supplies and impacts of future water commitments. This analysis developed the water supply and demand model.
- Task 3: Water and Recycled Distribution Systems - Detailed computer modeling of water distribution system to analyze fire-fighting needs. This task also included development of a conceptual recycled water distribution system for outdoor irrigation.
- Task 4: Water Resources Plan - Analysis of long-term supply options, including desalination, Nacimie to reservoir water, dams and related alternatives.
- Task 5: Financing Study - Analysis and recommendations for financing of long-term supply options.
- Task 6: Habitat Conservation Plan (HCP) - A HCP would be required if a project would result in the "incidental take" of a threatened species.

A draft Task 3 report entitled, *Water and Recycled Water System Modeling* (Final Draft, March 2003, Kennedy/Jenks Consultants), was presented to the District Board during a special April 3, 2003 meeting. During that meeting, the results of hydraulic modeling and the need to improve the potable water distribution and storage tank system for fire-fighting purposes were reviewed. The results of the hydraulic modeling indicated that there exists a significant deficiency in the tank storage capacity of the CCSD's water system. The same Task 3 report identified three levels of priority (i.e., phases) for improving fire-fighting capabilities. The Level 1 priority projects were deemed the most urgently needed and included increased storage at the Pine Knolls and Leimert tank sites. On April 24, 2003 the District Board directed staff to complete the work necessary to allow bidding of the Priority Level 1 projects. Since then, the District has contracted with Boyle Engineering for detailed design of the Pine Knolls Tanks, and RBF Consulting for environmental processing/clearance consulting services.

In February 2004, the CCSD circulated for public review a Mitigated Negative Declaration (MND), per CEQA requirements for the Pine Knolls Tank Replacement Project, which included the environmental analysis for replacing the two existing 103,000-gallon welded steel tanks at the existing Pine Knolls tank site with a 1.1 million gallon (MG) cast-in place concrete tank. The rectangular concrete tank included a 33-foot sidewall height and a building footprint of

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approximately 75-feet by 80-feet or approximately 6,375 square feet. Although the tank was proposed to be located entirely on the existing tank site, it required approximately 6,750 square feet of easement area outside the northern and eastern border of the project.

During the 30-day public review period, the CCSD received considerable opposition expressed from the area's residents regarding the size and siting of the 1.1-million gallon concrete tank. Of particular concern for the adjacent residences was the change in visual character of the project site that would occur as a result of implementing the project. Concerns were raised that the large size and close proximity of the tank structure to adjacent residences would substantially degrade the aesthetic quality of the site and its surroundings. Other noted concerns regarding the project were related to noise impacts associated with construction activities, which included frequent concrete truck deliveries to construct the tank.

In response to the public's comments and concerns regarding the size and siting of the previously proposed 1.1 MG cast-in-place concrete tank project design, the CCSD met with the neighbors and developed a revised project design that includes two 550,000-gallon steel welded tanks. During a special Board meeting on April 17, 2004, the CCSD received supporting comments from the neighbors for the new design approach. At the meeting, the CCSD Board of Directors authorized proceeding with the preparation of a new Initial Study/Negative Declaration based on the two steel tank alternative. An initial study and mitigated negative declaration for the two steel tank design was circulated beginning in June of 2004 with the close of written comments occurring on July 7, 2004. The District Board conducted a public hearing on July 22, 2004 during which time it adopted a Final Mitigated Negative Declaration and a Mitigation and Monitoring Plan. A Notice of Determination was subsequently filed with the County Clerk's office on July 30, 2004.

During October 2004, the District requested and received an Emergency Permit from the County for the project due to concerns over public safety posed by the existing tanks. This permit was later rescinded based on opposition from the property owner adjacent to the northeast corner of the site, the Coastal Commission, and the Sierra Club. In response to these concerns, the project has been subsequently modified to further reduce the area needed outside of the existing tank site property lines. The current design reduces the area needed to the northeast from 9,115 square feet to 6,100 square feet by altering the layout of the proposed tanks. This also reduces the number of trees requiring mitigation as summarized in Table A, *Summary of Reduction of Tree Impacts*.

Table A

Pine Knolls Tank Project - Summary of Reduction of Tree Impacts				
	Within Project Boundary (i.e., trees being removed)		Indirect Impact Area Contiguous area outside of project boundary	
	Monterey Pine	Coast Live Oak	Monterey Pine (within 20 feet)	Coast Live Oak (within drip line)
Original two steel tank design				
Total # of trees				
Trees requiring mitigation				
Revision to steel tank (design rev.4)				
# of trees avoided	-5	-16	-10	-5
Revised total # of trees	29	10	1	12
# of mitigation trees avoided	-1	-10	-3	-2
Trees requiring mitigation	30	20	4	14

Rules applied: For Coast Live Oaks in indirect construction zone, assume impacted if within drip line
 For Monterey Pines in indirect construction zone, assume impacted if within 20 feet of fence line
 Mitigation required for all Coast Live Oaks greater than 6-inch dbh
 Mitigation required for all Monterey Pines greater than 8-inch dbh

January 27, 2005 Revision to the Initial Study/Mitigated Negative Declaration entitled:
 "Pine Knolls Tank Replacement Project (Two, 550,000-gallon Welded Steel Tanks)"

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As shown in the Exhibits 4 and 5, the current project design would locate one tank (No. 1) on the northeast portion of the existing tank site, with the second tank (No. 2) straddling the existing site as well as the 6,100 square foot area northeast of the existing tank site. The current design will require removal of both existing tanks and two existing Monterey Pine trees located on the existing tank site in order to construct one of the new tanks. Evergreen shrubs and trees will be placed along the western and southern borders of the existing site to enhance screening provided by existing plants. The current project design represents a compromise between concerns expressed by the next-door neighbors, the surrounding neighborhood, the landowner to the northeast, the California Coastal Commission, and the Sierra Club. It responds to the public's concerns regarding both the size and siting of the tank structures that were raised during the CEQA review process as well as subsequent comments that were received during project permitting. It also maintains the same volume necessary to improve the potable water distribution for fire-fighting as the original design. Furthermore, since the revised project includes welded steel tanks, there would be a substantial reduction in the number of truck trips associated with concrete pours and truck deliveries during the construction period. In addition, the current revision requires the least impact to areas outside of the existing tank site property lines than all previously conceived designs. When compared to prior design concepts, the current project would be more sensitive to the long-term value associated with the existing neighborhood character and the open space area while also reducing short-term impacts (i.e., noise, air quality) associated with construction activities. Because the current project design will neither change, nor increase the significance of impacts as compared to the project adopted on July 22, 2004, the environmental analysis pertaining to this current Project Description (January 27, 2004) will remain valid. Furthermore, it is noted that the mitigation measures adopted by the CCSD on July 22, 2004 are applicable to the revised Project Description described herein. Therefore, the Mitigation and Monitoring Plan adopted on July 22, 2004 will also remain the same.

2.3 PROJECT CHARACTERISTICS

The proposed project would replace the two existing 103,000-gallon welded steel tanks at the existing Pine Knolls tank site and expand the site to include two 550,000-gallon welded steel tanks. As stated in Section 2.2, above, the project would require approximately 6,100 square-feet of land extending from the northeastern portion of the existing Pine Knolls tank site. The project would require the CCSD to acquire the northeast expansion area, which is currently held in a conservation easement by the Nature Conservancy.

The project would also relocate an existing control panel (for operating the San Simeon Wells from the existing tank levels) and overhead electrical service. Section 2.4, *Schedule and Construction Sequence*, provides a description of the anticipated schedule and construction sequence for the project.

The CCSD will evaluate whether the existing tanks are in satisfactory condition to be re-used for future recycled water storage facilities. If the tanks were re-used, the tanks may be cut to create three shorter tanks, as opposed to the two existing taller tanks. Also, if the tanks were re-used, they would need to be temporarily stored by the CCSD. A likely temporary storage location for the older tanks will be on the District's property adjacent to its wastewater effluent percolation ponds. This area is south of San Simeon Road and fairly well hidden and isolated from the public. If the existing tanks are not in satisfactory condition to be re-used, the tanks will be hauled from the project site and used for scrap metal.

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Site Preparation: Site design and preparation requirements are intended to minimize visual impacts during and after construction. Revised Exhibit 4, *Site Plan*, illustrates the site plan for the proposed project. Revised Exhibit 5, *Landscape Plan*, illustrates the conceptual landscape of the proposed project (refer to Revised Exhibit 5 for the project property line/easement boundaries).

The project site will be excavated to bedrock approximately five (5)-feet below grade and either native soil will be recompact or imported materials will be placed on the site prior to preparing the foundation beneath the tank. The tank ringwall foundation will consist of steel-reinforced cast-in-place concrete. The new tanks will have approximately the same height as the existing tanks (32- to 33-foot sidewall height). Each of the two replacement tanks will have a 60-ft diameter footprint, for a total footprint of 5,700 square feet (2,850 square feet for each tank).

Each tank will include the following features that will be fabricated from steel and coated to match the tank:

- Safety ladder to the tank roof. The ladder will be placed on the northern side of the tanks to minimize visual impact.
- Roof manways with safety handrails. One manway will be placed on each tank with handrails in the immediate vicinity of the manway. This position will minimize visual impact. Handrails will not extend around the entire roof.
- Emergency overflow and drain/fill piping with valves. These pipes will be buried except for areas where they enter each tank. The tank overflow will discharge into an engineered swale that ultimately drains into Manor Way. This will be similar to the existing tanks overflow.

Alternative routes for the emergency overflow pipe were considered. However, due to the high erodibility of the site and nearby soils, the asphalt swale is the preferred location.

- A high-level alarm switch with remote sensing will be installed as part of the tank project. The addition of remote sensing and level alarms will significantly reduce opportunities for emergency tank overflow in comparison to the current tank situation with no high level alarm.
- Screened roof vents (one for each tank); and
- Shell manways near the base of the tanks. The manways will be coated to match the tanks.

Driveway and walkways will be constructed of river rock. A five (5) to eight (8) foot wide walkway will be provided around each tank perimeter. A chain link fence would be constructed around the tank site for security purposes.

A masonry control building (approximately 30 square feet) will be constructed for protection of tank controls from fire. The existing well control panel will be placed in the building and will use either the existing onsite telephone lines or radio telemetry for communication with the San Simeon Wells. An antenna will be mounted on the roof of the tanks for radio communications with the District's future supervisory control and data acquisition system.

2-32

The project will replace approximately 200-linear ft. of buried 10-inch asbestos cement waterline and valves with 14-inch concrete coated welded steel cement-lined waterline and valves. This waterline will increase the fire flow capacity between the tanks and the distribution system. All fittings will be steel, ductile iron or cast iron. The pipeline will be installed in an existing driveway between the tank site and the end of Manor Way. The pipeline will be placed within right-of-way and utility easements.

Also, the project would replace an existing check valve vault with a new pressure-reducing valve vault at the end of Manor Way.

2.4 SCHEDULE AND CONSTRUCTION SEQUENCE

The proposed project would be constructed in several phases. The initial phase of work will involve removal of approximately the top five (5) feet of soil, and recompaction of fill material for the new northeastern tank. Both existing tanks will remain in service until the new northeastern tank is constructed. Construction activities for the new northeastern tank will include construction of a concrete ringwall foundation and erection of the steel tank walls, floor and roof. Tank surface preparation and coating will take place next. After the northeastern tank is completed, disinfected, and brought online, the existing 103,000-gallon tanks will be taken out of service and dismantled. The southwestern tank will then be constructed in the same manner as the northeastern tank. The total estimated construction time for the project is anticipated to be approximately seven (7) to nine (9) months. However, the anticipated construction time could be extended due to site conditions as result of weather. It is anticipated that following the environmental review and permitting approvals that construction of the proposed project would begin late summer or fall of 2004.

2.5 EXISTING GENERAL PLAN AND ZONING DESIGNATION

The Pine Knolls Tank Replacement Project is located within an area where land use is governed by San Luis Obispo County and subject to conditions of the Coastal Act. The project area is located within the County's North Coast Planning Area, which includes policies and regulations that are part of the Coastal Zone Land Use Ordinance, Land Use Element (LUE) and Local Coastal Plan Framework for Planning, and Local Coastal Program. The North Coast Planning Area extends from the Monterey/San Luis Obispo County Line to the north, southerly from Point Estero, and easterly to the Coastal Zone boundary below the main ridge of the Santa Lucia mountain range. The general goals of the County's LUE and Coastal Plan Policies document guide land use decisions within the area.

Although the existing Pine Knolls tank site has been used for water tank storage since approximately 1960, (or as a "public facility" per the County's land use designation) the County of San Luis Obispo's General Plan land use designation for the existing tank site is "single-family residential." The northeast expansion area is currently undeveloped and designated as "rural lands" in the San Luis Obispo County General Plan Land Use Element. Per Table O of the County's "Framework for Planning, Land Use Element & Local Coastal Plan," Public Utility Facilities is an allowable land use within the single-family residential and Rural Lands categories. Specific conditions for this use are further defined within the Coastal Zone Land Use Ordinance (CZLUO, 23.08.288). Additionally, the need for additional tank storage was also included among the rationale for declaring a Water Shortage Emergency during the District Board's November 15, 2001 meeting.

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According to SLO County Planning staff, the existing Pine Knolls tanks site and the northeast expansion area part of a sensitive resource area (SRA). The SRA designation is listed as a "combining designation" in the Coastal Zone Land Use Ordinance. The SRA combining designation is applied by the Coastal Zone Land Use Ordinance to identify areas with special environmental qualities, or areas containing unique or endangered vegetation or habitat resources. The purpose of this combining designation standard is to require that proposed uses be designed with consideration of the identified sensitive resources, and the need for their protection, and, where applicable, to satisfy the requirements of the California Coastal Act. The area mapped outside of the northeast expansion area is also identified as "terrestrial habitat" under the coastal designations of the Coastal Zone Land Use Ordinance. This designation is intended to preserve and protect rare and endangered species of terrestrial plants and animals by preserving their habitats.

2.6 PUBLIC AGENCIES WHOSE APPROVAL MAY BE REQUIRED FOR SUBSEQUENT ACTIONS

Approval by the following public agencies may be required:

- County of San Luis Obispo – A Minor Use Permit/Coastal Development Permit, per the requirements of the Coastal Zone Land Use Element, may be required.
- County of San Luis Obispo – A Construction Permit may be required for construction of the pad site. Pending County review, either the Construction Permit would include grading activities or a Grading Permit would be required.
- State Department of Health Services – Tank design features, tank cleaning and disinfection, and operation of the new tank must be in compliance with the Department of Health Services policies and procedures.